

Saudi Arabian Monetary Agency

Banking Supervision Dept.



From : Saudi Arabian Monetary Agency
To : All Banks
Attention : Managing Directors, CEO's, General Managers
Subject : **Prudential Return Concerning Information Regarding Consumer Loans**

In the past, SAMA issued the following regulations concerning Consumer Loans and Credit Cards.

- Consumer Credit Regulation of October 2005
- Credit Card Regulation of 2006

However, more recently, SAMA solicited comments on its Draft Prudential returns to facilitate the collection of consumer lending data and other allied information and in this regard, a number of banks have provided their comments. These comments have now been taken into consideration alongside with other amendments to the current prudential returns with a view to minimize any changes. These are contained in the attached finalized package comprising of i) Guidance ii) Prudential Returns.

Banks (domestic Saudi banks and Saudi branches of Foreign banks) are now expected to provide their quarterly data and other information concerning Consumer Loans as described in the attached package starting January 2013. Consequently, the first quarterly Prudential return as per the attached for data as of 31 March 2013 will be due in SAMA 15 days following each quarter end. SAMA is also intending to induct this return on its Electronic Return Management System (ERMS II) shortly and in this regard will accordingly inform the Banks as to the steps to be taken at their end.

While the attached finalized Prudential Returns represents no major amendments to the Prudential Returns currently being submitted, banks should continue to submit their current Prudential Returns only for 1st quarter and 2nd quarter of 2013 in parallel with submission of the attached new Prudential Returns. Consequently, starting 3rd quarter of 2013, only the new Prudential returns in the attached will need to be submitted to SAMA.

These quarterly prudential returns are to be submitted as a single hard copy to the attention Dr. Alwaleed Alsheikh, Director of Banking Supervision and by soft copies to the undermentioned parties.

Best regards,

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Abdulrahman Al Kalaf
Deputy Governor
for Technical Affairs